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August 18, 2003

Hon. Marlene H. Dortch Secretary Federal Communications Commission The Portals II 445 12 St., SW Washington, D.C. 20554

RE: Comments of the New York State Department of Public Service in the Matter of Lifeline and Link-Up; WC Docket No. 03-109

Dear Secretary Dortch:

The New York State Department of Public Service (NYDPS) submits these Comments in response to the Commission's Notice of Proposed Rulemaking, released June 9, 2003, in the above-captioned proceeding. The Commission seeks comment on the Recommended Decision of the Federal-State Joint Board on Universal Service (Joint Board) regarding modifications to the Commission's federal Lifeline and Link-Up programs. The NYDPS supports Joint Board's recommendations for enhancing these programs.

Specifically, the Joint Board recommends adding an income standard to the default federal eligibility criteria to make a consumer eligible for Lifeline/Link-Up when the consumer's

¹ Lifeline provides low-income consumers with monthly discounts on the cost of receiving telephone service for a single telephone line in their principal residence. Link-Up provides low-income consumers with discounts on the initial costs of commencing telephone service.

² The default federal criteria are applicable only in those few states that have no state Lifeline/Link-Up program and in states that voluntarily adopt the federal criteria. Otherwise, states may establish their own incomerelated eligibility criteria.

household income is at or below 135% of the Federal Poverty Guidelines (FPG). The Joint Board also recommends adding two additional assistance programs to the current list of default criteria -- the Temporary Assistance to Needy Families program (TANF) and the National School Lunch free lunch program (NSL). Each of these proposals is intended to expand the means by which low income consumers can demonstrate their eligibility for Lifeline/Link-Up support, thus making the programs more accessible to their intended targets.

At the same time, the Joint Board also recommends that customers claiming Lifeline/Link-up eligibility under the income standard be required to provide some form of documentation of their income before enrollment in the program. The Joint Board further recommends that all states be required to establish procedures to verify consumers' on-going eligibility to receive Lifeline support. These certification and verification proposals are intended to ensure against abuse of the system by non-qualifying individuals.

As is demonstrated by its automatic enrollment/verification systems, New York understands the importance of making Lifeline/Link-Up programs easily available to eligible beneficiaries, while maintaining accountability to limit unwarranted demands on the program. The Joint Board's proposals discussed herein also properly strike that balance. We therefore recommend that the Commission adopt these Joint Board proposals.

Respectfully submitted,

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